GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2394
ANSWERED ON:18.12.2003
REVIVAL OF BURN STANDARD COMPANY LIMITED
BIKASH CHOWDHURY;MAHBOOB ZAHEDI

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Refractory Units of Raniganj of Burn Standard Company Limited (BSCL) were taken over by the Union Governmen alongwith its other Engineering Units in 1976 to modernize those units for effective running;

(b) if so, whether the refractory units of Raniganj were not modernized, as the result they started incurring losses and subsequently referred to BIFR alongwith its other units;

(c) if so, whether the refractory units in particular were closed down due to apathy and not taking appropriate action by the Management of BSCL;

(d) if so, whether the ex-workmen of Lalkoti and No.2 works-refractory units of BSCL-have now formed Ex-employees Cooperative Industrial Society Limited and have come out to run No.2 and Lalkoti refractory units of Raniganj with an initial fund of Rs.60 lakhs from their own savings.

(e) If so, whether the Government of West Bengal has approached the Ministry of Heavy Industry at the Centre for the purpose of handing over the above two refractory units to the newly formed society, so that it could run to viability; and

(f) If so, the steps taken/proposed to be taken by the Union Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES AND MINIST PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) Refractory Units of Raniganj and Engineering Units working under two private companies, i.e., Burn & Company Limited and the Indian Standard Wagon Company Limited were nationalized in 1976 to continue their production.

(b) Due to massive product obsolescence, modernization of these units was not considered viable.

(c) No, Sir. BIFR while sanctioning the revival scheme on 16.04.1999 of BSCL recommended closure of these units as their viability could not be established.

(d) Yes, Sir.

(e) & (f): A proposal for handing over the Unit to the Government of West Bengal for subsequent transfer to the Registered workers` cooperative received from Government of West Bengal is under consideration.